



OVER 100 YEARS OF SUPERIOR SERVICE

Artesian Water Company



Artesian Wastewater Management



Artesian Utility Development



Artesian Water Pennsylvania



Artesian Water Maryland



Artesian Wastewater Maryland

Via DelaFile

April 27, 2016

Ms. Donna L. Nickerson, Secretary
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, Delaware 19904

Dear Ms. Nickerson:

RE: Artesian Water Company, Inc. CPCN Application- Ridge Realty

Please find additional information requested by the Staff in their examination of the CPCN Application listed above. The information includes the Operating Agreement for Ridge Realty, a signed U.S. postal receipt showing the name of the individual that received materials sent by AWC and a corrected page 2 of the original application.

Please feel free to contact me at (302) 453-6995 should you have any questions regarding this application.

Sincerely,

A handwritten signature in blue ink that reads "David L. Valcarengi".

David L. Valcarengi
Manager of Rates and Regulation

AFFIDAVIT

STATE OF DELAWARE)
) SS
COUNTY OF NEW CASTLE)

On this 27th day of April, 2016, personally came before me, the subscriber, a Notary Public in and for the state and county aforesaid, David B. Spacht, the CFO and Treasurer of Artesian Water Company, Inc. known to me personally to be such or having presented to me satisfactory evidence of identity, and acknowledged this document to be his act and deed and the act and deed of such corporation, that the signature of such individual is in his own proper handwriting, and that the facts set forth in this application are true and correct to the best of his knowledge, information, and belief.

David B. Spacht
Signature of individual

DAVID B SPACHT

Robin E Thompson
Printed Name

SIGNED AND SWORN (OR AFFIRMED) before me on this 27th day of

April, 2016

Robin E Thompson
Signature of Delaware Notarial Officer

NOTARY
Title (e.g., Notary Public)



My Commission Expires:

March 14, 2020

LIMITED LIABILITY COMPANY AGREEMENT
FOR
RIDGE REALTY PROPERTIES, L.L.C.

GORDON, FOURNARIS & MAMMARELLA, P.A.
1925 LOVERING AVENUE
WILMINGTON, DE 19806

LIMITED LIABILITY COMPANY AGREEMENT
FOR
RIDGE REALTY PROPERTIES, L.L.C.

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LIMITED LIABILITY COMPANY AGREEMENT
FOR
RIDGE REALTY PROPERTIES, L.L.C.

THIS LIMITED LIABILITY COMPANY AGREEMENT FOR RIDGE REALTY PROPERTIES, L.L.C. (this "Agreement"), a Delaware limited liability company organized pursuant to the Act, is entered into and shall be effective as of the Effective Date, by and between the Company and WILLIAM J. PETRILLO, its sole member (the "Initial Member").

I. DEFINITIONS

For purposes of this Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

1.1 **Act.** The Delaware Limited Liability Company Act, 6 Del. C. § 18-101, et seq., and all amendments to the Act.

1.2 **Additional Member.** A Member other than the Initial Member who has acquired a Company interest from the Company.

1.3 **Admission (Admit).** The act of becoming a Member and obtaining the rights appurtenant to a Company interest.

1.4 **Certificate of Formation.** The Certificate of Formation of the Company as properly adopted and amended from time to time by the Member and filed with the Secretary of State of the State of Delaware.

1.5 **Capital Contribution.** Any Contribution or contribution of property or services made by or on behalf of a new or existing Member as consideration for a Company interest.

1.6 **Code.** The Internal Revenue Code of 1986, as amended from time to time.

1.7 **Company.** Ridge Realty Properties, L.L.C., a limited liability company formed under the laws of the State of Delaware, and any successor limited liability company.

1.8 **Contribution.** Any contribution of Property made by or on behalf of a new or existing Member to the Company as consideration for a Company interest.

1.9 **Distribution.** A transfer of Company Property by the Company to a Member on account of a Company interest as described in Article IX of this Agreement and the Act.

1.10 **Disposition (Dispose).** Any sale, assignment, transfer, exchange, mortgage, pledge, grant, hypothecation, or other transfer, absolute or as security or encumbrance (including, but not limited to, dispositions by operation of law).

1.11 **Initial Contribution.** The Contribution agreed to be made by the Initial Member as described in Article VIII of this Agreement.

1.12 **Member.** The Initial Member executing this Agreement, any transferee of a Member or any Additional Member. At any time there is more than one (1) Member, the term "Member" shall mean all Members, and any action that may be taken under this Agreement by the Member may be taken by any Member, provided that any dispute with respect to any action shall be decided by a majority of the Members.

1.13 **Membership.** All of the rights of the Member, including the right to share in profits, losses and distributions and the right to participate in the management of the Company.

1.14 **Person.** An individual, trust, partnership, estate, or any incorporated or unincorporated organization permitted to be a member of a limited liability company under the laws of the State of Delaware.

1.15 **Proceeding.** Any judicial or administrative trial, hearing or other activity, civil, criminal or investigative, the result of which may be that a court, arbitrator, or governmental agency may enter a judgment, order, decree, or other determination which, if not appealed and reversed, would be binding upon the Company, a Member or other Person subject to the jurisdiction of such court, arbitrator, or governmental agency.

1.16 **Property.** Any property, real or personal, tangible or intangible, including money, and any legal or equitable interest in such property, but excluding services and promises to perform services in the future.

1.17 **Taxing Jurisdiction.** Any state, local, or foreign government that collects tax, interest or penalties, however designated, on any Member's share of the income or gain attributable to the Company.

II. FORMATION

2.1 **Organization.** The Member by this Agreement organizes the Company as a State of Delaware limited liability company pursuant to the provisions of the Act.

2.2 Agreement; Effect of Inconsistencies with Act. For and in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by this Agreement, the Member and the Company agree to the terms and conditions of this Agreement, as it may from time to time be amended according to its terms. It is the express intention of the parties that this Agreement shall be the sole source of agreement of the parties, and, except to the extent a provision of this Agreement expressly incorporates federal income tax rules by reference to sections of the Code, or any regulations promulgated thereunder, or is expressly prohibited or ineffective under the Act, this Agreement shall govern, even when inconsistent with, or different than, the provisions of the Act or any other law or rule. To the extent any provision of this Agreement is prohibited or ineffective under the Act, this Agreement shall be considered amended to the smallest degree possible in order to make the agreement effective under the Act. In the event the Act is subsequently amended or interpreted in such a way to make any provision of this Agreement that was formerly invalid valid, such provision shall be considered to be valid from the effective date of such interpretation or amendment. The Member shall be entitled to rely on the provisions of this Agreement, and the Member shall not be liable to the Company for any action or refusal to act taken in good faith reliance on the terms of this Agreement. The Member and the Company agree that the duties and obligations imposed on the Member as such shall be those set forth in this Agreement, which is intended to govern the relationship between the Company and the Member, notwithstanding any provision of the Act or common law to the contrary.

2.3 Name. The name of the Company is Ridge Realty Properties, L.L.C., and all business of the Company shall be conducted under that name or under any other name.

2.4 Effective Date. This Agreement shall become effective upon the filing of the Certificate of Formation of the Company with the Secretary of State of the State of Delaware (the "Effective Date").

2.5 Term. The term of the Company shall be perpetual until dissolved and its affairs wound up in accordance with the Act and this Agreement.

2.6 Registered Office; Registered Agent. The name of the registered agent for service of process on the Company in the State of Delaware is The First State Registered Agent Company. The address of the registered agent of the Company and the address of the registered office of the Company in the State of Delaware is 1925 Lovering Avenue, Wilmington, Delaware 19806. The Member may, from time to time, change the registered agent or

registered office through appropriate filings with the Secretary of State of the State of Delaware. In the event the registered agent ceases to act as such for any reason or the registered office shall change, the Member shall promptly designate a replacement registered agent or file a notice of change of address as the case may be.

2.7 Principal Office. The Company's principal office shall be located at 6 Robert Court, Chadds Ford, PA 19317, or at such other place as the Member may select from time to time (the "Principal Office").

III. NATURE OF BUSINESS

3.1 Business of Company. The purpose and business of the Company shall be (a) to acquire, own, hold, manage, operate, improve, develop, lease and otherwise deal with the real property known as 152 Pumpkin Patch Lane, Hockessin, Delaware 19707, and such additional real, personal or intangible property as the Company may acquire from time to time, all of which property is sometimes referred to in this Agreement as the "Company Property"; (b) to sell, dispose, lease, exchange, mortgage or otherwise encumber all or any part of the Company's interest in the Company Property; (c) to conduct such other activities as may be necessary or appropriate to promote the business of the Company; and (d) to engage in any other lawful business activity approved by the Member.

3.2 Authority of Company. The Company shall have the authority to do all things necessary or convenient to accomplish its purpose and operate its business as described in this Article III.

IV. COMPANY RECORDS

4.1 Records to be Maintained. The Member shall maintain the following records of the Company at the Principal Office:

- (a) The full name and mailing address of the Member;
- (b) A copy of the Certificate of Formation and all amendments thereto;
- (c) Copies of the Company's State of Delaware Franchise Tax Notices;
- (d) Copies of this Agreement, including all amendments thereto; and
- (e) Any other records that the Member desires to have maintained at the Principal Office.

V. NAME AND ADDRESS OF MEMBER

The name and mailing address of the Initial Member is:

William J. Petrillo
6 Robert Court
Chadds Ford, PA 19317

VI. RIGHTS AND DUTIES OF THE MEMBER

6.1 Management Rights. All management of the Company shall be vested in the Member. The affirmative consent (regardless of whether written, oral or by course of conduct) of the Member shall constitute the consent of all of the Members for purposes of any provision of this Agreement or the Act.

6.2 Liability of Member. The Member shall not be liable as a Member for the liabilities of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under this Agreement or the Act shall not be grounds for imposing personal liability on the Member for liabilities of the Company.

6.3 Indemnification. The Company shall indemnify and hold harmless the Member and all of its agents for all costs, losses, liabilities, and damages paid or accrued by the Member (either as Member or as agent) or agent of the Company in connection with the business of the Company, to the fullest extent provided or allowed by the laws of the State of Delaware. In addition, the Company may advance costs of defense of any proceeding to the Member or any agent of the Company.

6.4 Conflicts of Interest. For purposes of this Agreement:

(a) The Member shall be entitled to enter into transactions that may be considered to be competitive with, or a business opportunity that may be beneficial to, the Company, it being expressly understood that the Member may enter into transactions that are similar to the transactions into which the Company may enter.

(b) A Member does not violate a duty or obligation to the Company merely because the Member's conduct furthers the Member's own interest. A Member may lend money to and transact other business with the Company. The rights and obligations of a Member who lends money to or transacts business with the Company are the same as those of a Person who is not a Member, subject to other applicable law. No transaction with the Company shall be voidable solely because a Member has a direct or indirect interest in the transaction.

VII. MEMBER

7.1 Management. All decisions concerning the business affairs of the Company shall be made by the Member.

7.2 Authority of Member to Bind the Company. Only the Member, and agents of the Company authorized by the Member, shall have the authority to bind the Company. The Member has the power, on behalf of the Company, to do all things necessary or convenient to carry out the business and affairs of the Company, including, but not limited to, the following:

(a) The institution, prosecution and defense of any Proceeding in the Company's name;

(b) The purchase, receipt, lease or other acquisition, ownership, holding, improvement, use and other dealing with, Property, wherever located;

(c) The sale, conveyance, mortgage, pledge, lease, exchange, and other disposition of Property;

(d) The entering into contracts and guaranties, incurring of liabilities, borrowing of money, issuance of notes, bonds, and other obligations, and the securing of any of its obligations by mortgage or pledge of any of its Property or income;

(e) The lending of money, investment and reinvestment of the Company's funds, and receipt and holding of Property as security for repayment, including, without limitation, the loaning of money to, and otherwise helping the Member and agents of the Company;

(f) The conduct of the Company's business, the establishment of Company offices, and the exercise of the powers of the Company within or without the State of Delaware;

(g) The appointment of employees and agents of the Company, the defining of their duties, and the establishment of their compensation;

(h) The payment of compensation, or additional compensation to the Member and any employee of the Company on account of services rendered to the Company, whether or not an agreement to pay such compensation was made before such services were rendered;

(i) The purchase of insurance on the life of the Member or any employee or agent of the Company;

(j) The participation in partnership agreements, joint ventures, or other associations of any kind with any Person or Persons;

(k) The indemnification of the Member or any other Person; and

(l) The opening and maintaining of bank, investment, brokerage and other types of accounts with financial institutions located within or without the State of Delaware.

7.3 Actions of Member. The Member has the power to bind the Company as provided in this Article VII. The act of the Member, regardless of whether such action is for the purpose of apparently carrying on the usual way the business or affairs of the Company are conducted, including the exercise of the authority indicated in this Article VII, shall bind the Company, and no Person dealing with the Company shall have any obligation to inquire into the power or authority of the Member acting on behalf of the Company.

7.4 Compensation of Member. The Member shall be reimbursed all reasonable expenses incurred in managing the Company and shall be entitled to reasonable compensation, in an amount to be determined from time to time by the Member.

7.5 Member's Standard of Care. The Member's duty of care in the discharge of the Member's duties to the Company is limited to refraining from engaging in grossly negligent or reckless conduct, intentional misconduct, or a knowing violation of law. In discharging his duties, the Member shall be fully protected in relying in good faith upon the records required to be maintained under Article IV and upon such information, opinions, reports or statements by any of the agents of the Company, or by any other Person, as to matters the Member reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits or losses of the Company or any other facts pertinent to the existence and amount of assets from which distributions to the Member might properly be paid.

VIII. CONTRIBUTIONS

8.1 Initial Contribution. The initial capital contribution to the Company shall be the sum of One Thousand Dollars (\$1,000.00). If no time for the Initial Contribution is specified, the Initial Contribution shall be made within ninety (90) days after the filing of the Certificate of Formation with the Secretary of State of the State of Delaware. No interest shall accrue on any Contribution. In exchange for the initial

Contribution, the Member shall receive all rights, title and interest in and to one hundred percent (100%) of the Membership of the Company.

8.2 Additional Contributions. In addition to the Initial Contribution, the Member may make additional contributions. The Member shall not be obligated to make any additional contributions.

8.3 Tax Classification of Company. The Member intends for the Company to be (a) disregarded as an entity for federal and state income tax purposes, so long as the Member is the sole member of the Company or there is only one member of the Company, and (b) classified as a partnership for federal and state income tax purposes whenever there are two or more members of the Company.

IX. DISTRIBUTIONS

The Company may make distributions as determined by the Member from time to time in accordance with this Agreement and the Act.

X. TAXES

10.1 Elections. The Member may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company.

10.2 Method of Accounting. The records of the Company shall be maintained on the same method of accounting as that of the Member.

XI. DISPOSITIONS AND ADMISSIONS

11.1 Disposition. The Member may Dispose of all or a portion of the Member's Company interest at any time and from time to time. Upon the disposition of the Member's Company interest, the transferee shall be Admitted as a Member at the time the disposition is completed.

11.2 Admission of Additional Members. The Member may Admit Additional Members at any time, and from time to time, and determine the Contributions of such Additional Member.

XII. DISSOLUTION AND WINDING UP

12.1 Dissolution. The Company shall be dissolved and its affairs wound up upon the will of the Member. Notwithstanding any provision of the Act to the contrary, the Company shall

continue and not be dissolved as a result of the death, retirement, resignation, expulsion, bankruptcy or dissolution of the Member or any other event that terminates the continued Membership of the Member.

12.2 Effect of Dissolution. Upon dissolution, the Company shall cease carrying on the Company business, but the Company not be terminated, until the winding up of the affairs of the Company is completed and the Certificate of Dissolution has been filed by the Secretary of State of the State of Delaware.

12.3 Distribution of Assets on Dissolution. Upon the winding up of the Company, the assets shall be distributed as follows:

(a) First, to creditors of the Company, including the Member if the Member is a creditor of the Company, to the extent otherwise permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for which reasonable provision for payment has been made and liabilities for distributions to the Member and former Members under § 18-601 or § 18-604 of the Act;

(b) Second, to the Member and former Members in satisfaction of liabilities for distributions under § 18-601 or § 18-604 of the Act;

(c) Third, to the Member for the return of the Member's capital contributions; and

(d) Fourth, to the Member respecting the Member's Company interest.

Such distributions shall be in cash or other Property, or partly in both, as determined by the Member.

12.4 Payment of Claims. Upon the dissolution of the Company, the Company (i) shall pay or make reasonable provision to pay all claims and obligations, including all contingent, conditional or unmatured contractual claims, known to the Company, (ii) shall make such provision as will be reasonably likely to be sufficient to provide compensation for any claim against the Company which is the subject of a pending action, suit or proceeding to which the Company is a party and (iii) shall make such provision as will be reasonably likely to be sufficient to provide compensation for claims that have not been made known to the Company or that have not arisen but that, based on facts known to the Company, are likely to arise or to become known to the Company within ten (10) years after the date of dissolution. If the Company has sufficient assets, such claims and obligations shall be paid in full and any such

provision for payment made shall be made in full. If the Company has insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims of equal priority, ratably to the extent of assets available therefor. Any remaining Company assets shall be distributed as provided in Paragraph 12.3 of this Agreement.

12.5 Winding Up and Certificate of Dissolution. The winding up of the Company shall be completed when all debts, liabilities, and obligations of the Company have been paid and discharged or reasonably adequate provision therefor has been made, and all of the remaining Company Property has been distributed to the Member. Upon the completion of winding up of the Company, a Certificate of Dissolution shall be delivered to the Secretary of State of the State of Delaware for filing. The Certificate of Dissolution shall set forth the information required by the Act.

XIII. AMENDMENT

13.1 Agreement May Be Modified. This Agreement may be modified as provided in this Article XIII (as the same may, from time to time be amended).

13.2 Amendment or Modification of Agreement. This Agreement may be amended or modified from time to time only by a written instrument adopted by the Member and executed by the Member.

XIV. MISCELLANEOUS PROVISIONS

14.1 Entire Agreement. This Agreement represents the entire agreement between the Member and the Company.


14.2 Rights of Creditors and Third Parties under Agreement. This Agreement is entered into between the Company and the Member for the exclusive benefit of the Company, the Member, and their respective heirs, executors, administrators, personal representatives, successors and assignees. This Agreement is expressly not intended for the benefit of any creditor of the Company or any other Person. Except and only to the extent provided by applicable statute, no such creditor or third party shall have any rights under this Agreement or any agreement between the Company and the Member with respect to any Capital Contribution or otherwise.

14.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective heirs, executors, administrators, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties to this Agreement have signed, sealed and delivered this Agreement this ____ day of _____, 2009, intending this Agreement to be effective as of the Effective Date.

RIDGE REALTY PROPERTIES, L.L.C.

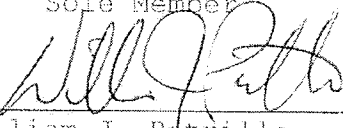
Witness

By:  (SEAL)

William J. Petrillo,

Sole Member

Witness

 (SEAL)

William J. Petrillo,

Individually



Date: April 26, 2016

malissa mcmullen :

The following is in response to your April 26, 2016 request for delivery information on your Certified Mail™ item number 9171969009350126364144. The delivery record shows that this item was delivered on March 19, 2016 at 10:12 am in CHADDS FORD, PA 19317. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink, appearing to read "W. A. Smith".

Address of Recipient :

A handwritten address in black ink, appearing to read "6 K. Street Ct.".

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

served, which must be located within the boundary of such county and municipality. (26 Del. C. § 203C((e)(1)(b)(4))

III. PROCEDURE

- A. Artesian Water Company, Inc. (AWC) requests that this application be reviewed pursuant to an informal fact finding procedure.

IV. PETITIONS FOR UTILITY SERVICE

- A. Customer Petitions requesting Service- Exhibit A
- B. Customer Notifications of CPCN Application- Exhibit B
- C. Proposed Parcels Included in CPCN- Exhibit C
- D. AWC Certification of Information Accuracy- Exhibit D

V. IDENTIFICATION OF PARCELS

- A. The application includes one parcel located on Front Street in Frederica, Kent County, Delaware and identified by tax id No. 122.11-01-07.00.
- B. Water service through the extension of an existing main located on Front Street. The Company anticipates furnishing water service to the parcel within 30 days of receiving approval to provide water service to the parcel.
- C. A map showing the location of the parcel is provided in Exhibit C.

VI. FINANCIAL AND OPERATIONAL CAPABILITIES

- A. Complete details of the Company are on file with the Commission, including information on Company's finances, and operational and managerial capabilities. A number of reports are on file with the Commission that detail AWC's financial and operational performance.
- B. AWC has been in the business of providing a safe, secure, reliable water supply for customers for over 100 years.
- C. AWC is an affiliate of Artesian Resources Corporation. Information that details the organizational structure of ARC and affiliates is on file with the Commission.
- D. AWC currently serves approximately 81,600 customers throughout the state of Delaware.
- E. AWC facilities are operated by fully licensed operators that have operated in full compliance with applicable federal and state rules, regulations, and laws.